

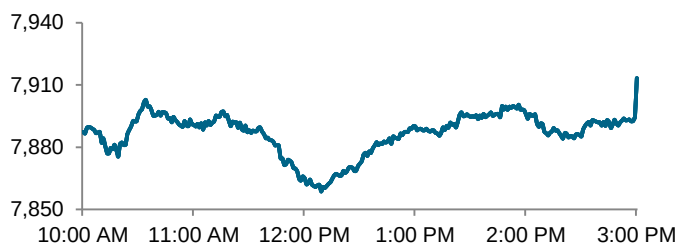
DAILY MARKETS OVERVIEW

27 OCTOBER 2019

السوق السعودي
Saudi Fransi Capital
Distinguished Service, Outstanding Performance



TASI Intraday



Source: Reuters

Saudi Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Saudi (TASI)	7,913	0.3	3.6	1.1	19.7
Saudi (NOMU)	4,014	-0.3	3.6	59.3	21.0
Energy	5,268	-1.3	2.2	8.6	38.5
Materials	4,858	0.5	0.9	-7.5	26.5
Capital Goods	3,798	0.7	3.3	-2.6	31.8
Com. & Prof. Svc	4,224	-0.1	0.2	2.1	18.8
Transportation	3,938	-0.5	1.5	13.3	19.3
Cons. Durables & Apparel	3,360	0.2	2.2	-8.3	NA
Consumer Services	3,551	2.1	3.5	20.5	NA
Media	7,940	0.8	0.0	-22.0	35.0
Retailing	7,354	0.2	3.7	7.1	34.6
Food & Staples Retailing	5,890	-0.1	0.2	-0.9	28.0
Food & Beverages	3,938	1.4	5.5	1.3	NA
Health Care Equipment	3,677	0.3	1.5	-2.1	26.5
Pharma, Biotech & Life Science	3,404	-0.6	1.2	-12.2	NA
Banks	7,424	0.4	5.9	2.9	12.9
Diversified Financials	3,235	0.1	2.2	-7.0	NA
Insurance	4,292	0.3	2.2	2.8	NA
Telecommunication	6,337	-0.4	0.7	17.2	19.1
Utilities	4,483	0.1	5.7	33.1	NA
REITs	3,865	0.9	1.6	6.7	20.2
Real Estate	3,144	-0.3	3.0	-2.5	NA

Source: Bloomberg, Reuters, Tadawul

Top 5 Gainers

Company	Last Close	% Change	Value (SAR mn)
Al-Ahlia Insurance Co.	13.36	6.9%	22
Allied Cooperative Insurance Group	18.70	4.6%	4
Zahrat Al Waha for Trading Co.	45.00	4.1%	18
Astra Industrial Group	15.10	3.9%	3
Saudi Enaya Cooperative Insurance Co.	10.88	3.6%	48

Source: Tadawul

Latest Earnings

Company	Date	Period	Q NI (SAR mn)	Y/Y %	Q EPS (SAR)	Vs. Consensus
NCB	24-Oct	3Q19	2,550.7	20%	0.85	NA
Zain Saudi	24-Oct	3Q19	121.0	152%	0.21	NA
SASCO	24-Oct	3Q19	13.0	76%	0.22	NA
Zahrat Al Waha For Trading	24-Oct	3Q19	15.0	57%	1.00	NA
HCC	24-Oct	3Q19	7.6	141%	0.08	NA

Source: Tadawul

NOTES: (1) Prices as of last trade. Updated as of October 27, 2019
(2) WTD: Week to Date and YTD: Year to Date

Saudi Market Update

- TASI closed 0.3% higher at 7,913 while NOMU decreased 0.3% at 4,014 on Thursday. TASI traded value totaled SAR 2.4bn and averaged SAR 2.7bn over the last 30 days. The five most active stocks (by value) in TASI accounted for 33.4% of the daily traded value.
- MSCI Emerging Markets ended 0.2% lower on Friday, trading at P/E (TTM) of 14.0x vs. 19.7x for TASI.
- Banks and Materials gained 0.4% and 0.5%, respectively. Telecom decreased 0.4%. Consumer Services (up 2.1%) was the best performing sector. Among stocks, Al-Ahlia Insurance Co. (8140/ALAHLIA AB), Allied Cooperative Insurance Group (8150/ACIG AB), and Zahrat Al Waha for Trading Co. (3007/OASIS AB) led the gainers.
- Minister of Industry and Mineral Resources stated the implementation mechanisms of the National Industries Development Program will be revised in the coming period, according to the needs of the local market, the changes of the global economy and the market fluctuations. (Source: Argaam)
- According to City Cement Co. (3003/CITYC AB), cement demand in KSA recovered in 3Q19, rising 17% Y/Y. The firm added that demand for cement in the last five years witnessed an accumulated drop of almost 30%. (Source: Argaam)
- Kingdom Investment and Development Co., a subsidiary of Kingdom Holding Co. (4280/KINGDOM AB), signed a binding memorandum of understanding (MoU) with Fawaz Abdulaziz AlHokair Co. (4240/ALHOKAIR AB) to buy its full stake in Trade Center Co. Ltd for cash consideration. (Source: Argaam)
- Qiddiya Investment Company (QIC) awarded a contract to Shihb Al Jazira Contracting Co. (SAJCO) to begin roadworks that will serve the entertainment city being built just outside Riyadh. The 14-month roadworks project will connect traffic on the Dhurma Road with one of the first developments within Qiddiya. (Source: Argaam)
- The BoD of Zahrat Al Waha for Trading Co. (3007/OASIS AB) recommended cash dividend of SAR 0.75 per share for H119. This implies a full-year yield of 3.5%. (Source: Argaam)

Top 5 Losers

Company	Last Close	% Change	Value (SAR mn)
Aldrees Petroleum & Transport Services Co.	54.60	-4.4%	83
Saudi Public Transport Co.	14.98	-2.4%	13
Saudi Automotive Services Co.	24.36	-2.3%	11
Nama Chemicals Co.	21.50	-1.5%	12
Saudi Re for Cooperative Reinsurance Co.	8.90	-1.4%	8

Most Active Stocks by Value (SAR mn)

Company	Last Close	% Change	Value (SAR mn)
Al Rajhi Bank	62.30	0.3%	275
Saudi Basic Industries Corp.	90.00	0.0%	179
Alinma Bank	21.70	-0.4%	161
National Commercial Bank	45.00	0.0%	96
Aldrees Petroleum & Transport Services Co.	54.60	-4.4%	83

Source: Tadawul

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GCC Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
Dubai (DFM)	2,784	0.1	0.1	10.1	11.7
Abu Dhabi (ADX)	5,163	0.2	1.4	5.0	15.4
Kuwait (KSE)	5,417	0.1	0.7	4.5	17.3
Qatar (QE)	10,378	0.2	-0.5	0.8	14.7
Oman (MSM)	3,990	-0.2	-0.4	-7.7	8.1
Bahrain (BSE)	1,526	0.1	0.0	14.1	11.4
DJMENA Index	577	0.0	1.7	3.7	NA

Source: Bloomberg, Reuters

Global Stock Indices

Index	Last Close	1 Day %	WTD %	YTD %	PE (TTM)
US (S&P 500)	3,023	0.4	1.2	20.6	19.8
US (NASDAQ 100)	8,243	0.7	1.9	24.2	22.9
UK (FTSE 100)	7,324	-0.1	2.4	8.9	17.1
Germany (DAX)	12,895	0.2	2.1	22.1	22.4
France (CAC 40)	5,722	0.7	1.5	21.0	19.5
Russia (MICEX)	2,873	-0.1	4.4	21.3	5.6
Japan (Nikkei)	22,800	0.2	1.4	13.9	16.3
Hong Kong (HSI)	26,667	-0.5	-0.2	3.2	10.4
South Korea (KOSPI)	2,088	0.1	1.3	2.3	14.3
China (SHCOMP)	2,955	0.5	0.6	18.5	14.2
India (NIFTY)	11,584	0.0	-0.7	6.6	24.6
Brazil (IBOV)	107,364	0.4	2.5	22.2	16.6
Turkey (BIST 100)	100,216	-0.1	1.8	9.8	8.1
Egypt (EGX30)	14,207	0.0	0.0	9.0	12.2
MSCI Emerging Markets	1,036	-0.2	1.2	7.3	14.0
MSCI World	2,223	0.3	1.3	18.0	18.9

Source: Bloomberg, Reuters

Commodities Prices

Index	Last Close	1 Day %	WTD %	YTD %	1 Year %
Brent Crude (\$/bbl)	62.0	0.6	4.4	15.3	-19.3
Natural Gas (\$/mmbtu)	2.3	-0.7	-0.9	-21.8	-17.3
Gold (\$/oz)	1,505	0.0	1.0	17.3	22.1
Silver (\$/oz)	18.0	1.3	2.8	16.4	23.2
Platinum (\$/oz)	926	0.3	4.0	16.4	11.9
Copper (\$/t)	5,925	1.0	2.4	-0.4	-5.2
Zinc (\$/t)	2,510	-0.9	0.9	-0.3	-6.7
Lead (\$/mt)	2,240	-0.1	1.3	11.5	12.7
Wheat (\$/bu)	518	0.3	-2.7	2.9	-6.9
Corn (\$/bu)	387	0.0	-1.1	3.1	-2.4
Sugar (\$/lb)	12.4	0.4	0.2	2.7	-15.8

Source: Bloomberg

Interest Rate Watch (3M Interbank Offer Rate, %)

Country	Last Close	1 Day Change	YTD Change	Spread*
US	1.93	-0.01	-0.88	0.00
Saudi Arabia	2.29	-0.01	-0.69	0.36
UAE	2.27	-0.03	-0.57	0.34
Kuwait	2.88	0.00	0.56	0.95
Qatar	2.60	0.00	-0.31	0.67
Bahrain	2.92	0.00	-1.03	0.99

Source: Reuters

NOTES: (1) Prices updated as of October 27, 2019 (2) WTD: Week to Date; YTD: Year to Date; NA: Not Applicable, *Spread = US 3M Rate – Country 3M Rate

GCC & Global Markets Update

- US markets ended in the green on Friday. S&P 500 increased 0.4% and NASDAQ gained 0.7%. Dow Jones Industrial closed 0.6% higher. In Europe, UK declined 0.1%. Germany and France closed 0.2% and 0.7% higher, respectively.
- Asian markets ended mixed on Friday. China gained 0.5%. Japan and South Korea closed 0.2% and 0.1% higher, respectively. Hong Kong declined 0.5% and India ended flat.
- GCC markets ended mostly higher on Thursday. Dubai gained 0.1% while Abu Dhabi increased 0.2%. Kuwait increased 0.1% while Qatar closed 0.2% higher. Oman decreased 0.2% and Bahrain gained 0.1%.
- US jobless claims for the week ended October 19 stood at 212K (prior: 214K). (Source: Econoday)
- UAE's Federal Authority for Government Human Resources (FAHR) has said in a circular that five years from now, Emiratis must cover 90% of jobs in administrative and support services of federal government entities. To achieve this goal, the firms have been told to increase Emiratisation percentage by 10% every year. (Source: Zawya)
- The UAE Central Bank released its proposed frame work for banks on the industry's exposure to the real estate sector, noting that exposures above a set threshold will be subject to additional regulatory requirements. (Source: Zawya)
- UAE based Pioneer Cement Industries, part of Oman's Raysut Cement Company (RCCI OM), is in the process of setting up an integrated USD 200mn (AED 734mn) cement plant in Georgia, Eastern Europe. (Source: Arabian Business)
- Emirates Water and Electricity Company (EWEC), a subsidiary of Abu Dhabi Power Corporation and KSA based, ACWA Power, have confirmed the successful financial closing of reverse osmosis desalination plant. The new plant will be located at the Taweelah power and water desalination complex in Abu Dhabi, with completion expected in 2022. (Source: Zawya)
- Abu Dhabi-based Mubadala Investment Company reached an agreement with NextDecade Corporation (NEXT US), a US-based liquefied natural gas (LNG) development company, to purchase USD 50mn (AED 183.6mn) of its common stock in a private placement. (Source: Trade Arabia)
- Alra Foods opened its state-of-the-art facility in Bahrain with an initial production of 20mn kg. The company announced plans to invest an additional USD 55.5mn (BHD 20.9mn) in the next three years to increase production at the facility. (Source: Trade Arabia)

Coming Up

- US EIA Petroleum status report on weekly change in crude oil inventories for the week ended October 25 (prior: -1.7mn barrels) will be announced on October 30. (Source: Econoday)
- US jobless claims for the week ended October 26 (prior: 212K) will be announced on October 31. (Source: Econoday)
- Japan's PMI manufacturing Index for October 2019 (prior: 48.9) will be announced on October 31. (Source: Econoday)



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